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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/633,992	08/04/2003	Charles R. Kirk	RPS920030035US1	5018
47052	7590	08/31/2009		
IBM RP-RPS SAWYER LAW GROUP LLP 2465 E. Bayshore Road, Suite No. 406 PALO ALTO, CA 94303			EXAMINER WINTER, JOHN M	
			ART UNIT 3685	PAPER NUMBER
			NOTIFICATION DATE 08/31/2009	DELIVERY MODE ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

patent@sawyerlawgroup.com

Office Action Summary	Application No. 10/633,992	Applicant(s) KIRK, CHARLES R.	
	Examiner JOHN M. WINTER	Art Unit 3685	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 03 June 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-6, 8 and 9 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-6, 8-9 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Acknowledgements

1. The Applicants amendment filed on June 3, 2009 is hereby acknowledged, Claims 1-6,8 and 9 remain pending. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on June 3, 2009 has been entered.

Response to Arguments

Applicant submits the proposed combination of Mori and Chasko would teach an automatic electronic signature verification process wherein signatures are manually added to a database that contains both consumer spending habits and signatures, wherein in the case of an unmatched signature, the transaction is terminated; and in the case of a verified signature, the transaction is successfully completed.

The Examiner responds that the invention as claimed by the Applicant states “a method *for automatically* verifying a signature during a retail payment transaction” and “*manually verifying* the electronic signature requiring a point-of-sale (POS) operator to manually verify the electronic signature when an exception occurs during the electronic signature verification process” the Examiner concludes that the prior art therefore discloses the same inventive process as the claimed invention.

Art Unit: 3685

Applicant submits that Mori and Chasko do not, alone or in combination, disclose, teach or suggest "...wherein signatures are added to the same cardholder account within the database to allow for variations thereof and to reduce the rate at which transactions are incorrectly denied by the automatic electronic signature verification process" as recited in the present invention" as recited in Claim 1.

The Examiner responds that the language that Applicant considers lacking from the prior art record is directed towards intended use (e.g. "to allow for variations", "to reduce the rate at which transactions are incorrectly denied") and it has been held that the manner in which a claimed apparatus is intended to be used does not distinguish the claimed apparatus from the prior art- if the prior art has the capability to so perform (MPEP 2114 and *Ex parte Masham*, 2 USPQ2d 1647 (1987)).

2. Examiner further notes that a wherein clause that merely states the result of the limitations in the claim adds nothing to the patentability or substance of the claim. (Texas Instruments Inc. v. International Trade Commission 26, USPQ2d 1010 (Fed. Cir. 1993); Griffin v. Bertina, 62 USPQ2d 1431 (Fed. Cir. 2002); Amazon.com Inc. v. Barnesandnoble.com Inc., 57 USPQ2d 1747 (CAFC 2001).

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-6 and 8-9 are rejected under 35 U.S.C. §101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent (See also *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) and recent Federal Circuit decisions, a §101 process must (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. In addition, the tie to a particular apparatus, for example, cannot be mere extra-solution activity. See *In re Bilski*, 88 USPQ2d 1385 (Fed. Cir. 2008).

An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps.

To meet prong (1), the method step should positively recite the other statutory class (the thing or product) to which it is tied. This may be accomplished by having the claim positively recite the machine that accomplishes the method steps. Alternatively or to meet prong (2), the method step should positively recite identifying the material that is being changed to a different state or positively recite the subject matter that is being transformed.

4. In this particular case, claim 1 fails prong (1) because the “tie” (e.g. electronic signature) is representative of extra-solution activity. Additionally, the claim(s) fail prong (2) because the method steps do not transform the underlying subject matter to a different state or thing.
5. Claims 2-6 and 8-9 are dependant upon claim 1 and are rejected for at least the same reasons.

Claim Rejections - 35 USC § 112

Art Unit: 3685

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claim 1-6,8-9 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claim 1 states “a method for automatically verifying a signature during a retail payment transaction, the method comprising” in the preamble, however the body of the claim states “manually verifying the electronic signature requiring a point-of-sale (POS) operator to manually verify the electronic signature when an exception occurs” it is therefore unclear what the scope of the claim invention is because an *automatic* process is claimed.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 1-6,8-9 are rejected under 35 U.S.C. 103(a) as being obvious over Mori et al (US Patent 7,107,454) in view of Chasko (US Patent 6,738,749).
8. As per claim 1,
Mori discloses a method for automatically verifying a signature during a retail payment transaction, the method comprising

Art Unit: 3685

obtaining an electronic signature of a cardholder;

automatically verifying the using an electronic signature using the electronic signature

verification process (Abstract)

9. Mori. does not explicitly disclose manually verifying the electronic signature requiring a point-of-sale (POS) operator to manually verify the electronic signature when an exception occurs during the electronic signature verification process comprises adding the electronic signature to a signature database, thereby automatically building the signature database responsive to the POS operator verifying the electronic signature; wherein signatures are incorporated in the database after the automatic electronic signature verification process;
10. Chasko discloses manually verifying the electronic signature requiring a point-of-sale (POS) operator to manually verify the electronic signature when an exception occurs during the electronic signature verification process comprises adding the electronic signature to a signature database, thereby automatically building the signature database responsive to the POS operator verifying the electronic signature; wherein signatures are incorporated in the database after the automatic electronic signature verification process; (Figure 9, Column 10, lines 37-60 – Examiner notes that although Chasko’s process does not occur “manually” it obvious that any automated process could alternatively be performed “by hand”). It would have been obvious to one having ordinary skill in the art at the time the invention was made to combine the Mori method with the Chasko’s . method in order to create a profile of a consumers spending habits linked to a specific payment account.
11. in regard to the claimed feature of “ wherein signatures are added to the same cardholder account within the database to allow for variations thereof and to reduce the rate at which

transactions are incorrectly denied by the automatic electronic signature verification process”

Examiner notes that a wherein clause that merely states the result of the limitations in the claim adds nothing to the patentability or substance of the claim. (Texas Instruments Inc. v. International Trade Commission 26, USPQ2d 1010 (Fed. Cir. 1993); Griffin v. Bertina, 62 USPQ2d 1431 (Fed. Cir. 2002); Amazon.com Inc. v. Barnesandnoble.com Inc., 57 USPQ2d 1747 (CAFC 2001).

12. As per claim 2,

Mori discloses the method of claim 1, wherein using an electronic signature verification process to automatically verify the electronic signature further comprises:
responsive to an account of the cardholder having a corresponding digital signature on file,
comparing the electronic signature to a the corresponding digital signature stored in the
signature database under an the account of the cardholder using a signature verification
algorithm(Figure 5, 16)

13. As per claim 3,

Mori discloses the method of claim 1, wherein using an electronic signature verification process to automatically verify the electronic signature comprises:
searching the a signature database by account number to determine if an account of the
cardholder has a corresponding digital signature on file. (Figure 5)

Claims 4-6,8-9 are not patentably distinct from claims 1-3 and are rejected for at least the same reasons.

Conclusion

14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to JOHN M. WINTER whose telephone number is (571)272-6713. The examiner can normally be reached on M-F 8:30-6, 1st Fridays off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Calvin Hewitt can be reached on (571) 272-6709. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

JMW

/ANDREW J. FISCHER/
Supervisory Patent Examiner, Art Unit 3621